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CPW Report No. 7 - Communist China  
(Jan. 21 - Feb. 3, 1952)

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## SUMMARY

During the period Jan. 21-Feb. 3 the Chinese Communist radio in broadcasts to the Chinese people continued to lay heavy stress on the drive to eliminate waste, corruption and bureaucracy from offices, factories, and stores. Concentration on the drive was so great that a number of other subjects formerly considered important were virtually neglected. New methods were used to promote the drive, such as special radio programs and the mobilization of school boys for inspection of stores. Confessions of corrupt practices at public rallies still were reported by the hundreds, along with complaints that some businessmen and minor officials had been confessing to minor errors, seeking thus to hide their greater sins. Women were urged to report the corrupt practices of their male relatives, and youths were praised for reporting their fathers and brothers. For instance, one cadre was reported to have postponed his wedding so that he could be present at a rally to report his uncle's tax evasion. Numerous Government officials were cited for corrupt practices and many others made public confessions. However, the main target of the drive has become the merchant and businessman rather than the public official, and a special drive against graft, tax evasion, pilferage of State property, cheating on labor and materials, and filching of information on the state of the national economy was announced. The group utilized most fully in ferreting out information against businessmen was the shop

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clerks, many of whom refrained from going home during the spring festival vacation so that they could complete their investigations and bring charges against merchants, usually their employers. Merchants were warned repeatedly not to try to punish the clerks for these charges, and regulations were promulgated forbidding merchants to fire or punish, reward or change the status of shop employees for the duration of the drive. Increasing resistance to the campaign was noted, with industrial and commercial circles pointed out as the chief antagonists. There also was noted a growing concentration on the "big corrupt elements," with a complaint that most of the crimes confessed have been insignificant. Cadres were frequently blamed for laxity, but more often were warned to beware of dishonest businessmen who would seek to corrupt them.

Economic weaknesses aside from corruption in official and business circles were admitted, especially in the old revolutionary bases, where a picture of bleak desolation was painted. Ideological adjustment received little attention because of the heavy concentration on the anticorruption drive, but continued steps to bring thought reform to teachers and students, especially in the higher institutions, were reported. At least one new move to destroy foreign influence in the Catholic Church was broadcast. Considerable attention was devoted to preferential treatment for families of Army men, with some censure for lack of interest in the movement and considerable evidence that the burden is growing heavy. There was a noticeable drop in the time devoted to suppression of counterrevolutionaries, to the new marriage law, and to the national minorities.

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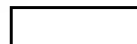
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## ANTIWASTE, ANTICORRUPTION, ANTIBUREAUCRACY

Development of Drive. The drive to eliminate waste, corruption and bureaucracy continued to monopolize Chinese Communist broadcasts to the Chinese people during the period Jan. 21-Feb. 3, 1952. So heavy was the concentration on this drive that some other subjects formerly considered important were almost entirely neglected. Rallies and meetings were reported daily. Some of these were confession and accusation meetings called to arouse the enthusiasm of the people, while others were organizational meetings.

Stages in the progress of the drive were not similar throughout all China. Sian announced (Feb. 1) that Party cadres in Yenan, Shensi Province, had called a meeting Jan. 28 to promote the drive, while in the Weiyang Special District, Kansu, the confession stage was just being reached following a Party cadre meeting Jan. 29. Kunming reported (Jan. 21) that in Chiuei, (Ssutsung), Kuangnan, and Wenshan Hsien, Yunnan, Party cadres started their study Jan. 12, which would be followed by confessions and accusations. Canton said (Jan. 25) that the confession rallies there came to a close Jan. 24 with the organization of 52 subcommittees to study new ways of promoting the drive. Wuhan announced (Jan. 24) that the confession period would end Jan. 31, but that the Wuhan Investigation Bureau already had organized 100 inspection groups. Wuhan said (Feb. 2) that the inspection groups would get under way in February. Wuhsu announced (Jan. 31) that the South Kiangsu Communist Party Committee had set up inspection teams to check on the progress of the drive.

Meanwhile the effort to persuade the people to report all cases of graft and corruption was not relaxed. Antung announced (Jan. 22) that the local People's Supervisory Committee had set up an office for the convenience of informers, with the telephone number 2115. The same radio said (Jan. 28) that the Antung Bureau of Trade would promote the drive by offering rewards to informers. Chungking announced (Jan. 23) that the Yunnan People's Government and the Kunming People's Government had set up informers' boxes on the main streets of Kunming, while the Yunnan People's Supervisory Committee and the Yunnan branch of the People's Bank, had prepared similar boxes, with 1,000 reports already received and committees to encourage informers organized on the hsien level.

Hangchow announced (Jan. 26) that the local clerks' union had set up boxes for informers at the following places: Clerks Union premises; Garment Workers Hall, Sanchiang Chu; 17 East Taiping Alley, off Hofang Street, Shangcheng Chu; Jewelry Workers Hall and Trade Hall, Chungcheng Chu; in front of the Hsuyang Department Store, Pai Alley, Kuanyakou; Yikou China Shop, North Chungshan Road, Hsiacheng Chu; Kungsu Chu Clerks Union Hall; Kungsu Bridge; and the Kungsu main road. Hangchow said (Jan. 29) that the People's Procurator's Office and the People's Supervisory Committee had set up a reception office for visitors and informers at No. 29 Shungtang Road, telephone number 3277.

Wuhan announced (Jan. 22) that Deputy Chairman Teng Tse-huei of the Central and South China Military and Administrative Committee had designed Post Office Box 170, Hankow, which would be opened daily by a representative of Teng. Postage will be paid by the Military and Administrative Committee. Wuhan reports (Jan. 25) that Teng already had received 27 letters in the box, which were being investigated, while the Kiangsi Provincial Government had received 100 letters, which would be investigated. Results will be published in the newspapers. Shanghai announced (Jan. 22) that the East China Military and Administrative Committee already had received 993 letters in its special mailbox, and that the East China Supervisory Committee had opened a reception room for informers with a special staff, to be open 9-12 a.m. and 1-5 p.m. daily, at 305 North Nanking Road.

Other new methods were adopted to obtain information. Wuhsu reported (Jan. 24) that schools in Wuhsien had organized inspection teams to check on merchants, and all schools in south Kiangsu had joined in the drive. Taiyuan announced (Jan. 21) that a sixth grade student had accused his teacher of taking school property. Wuhan said (Jan. 28) that with the start of winter vacation in the middle school, students had joined in the anticorruption drive. Hangchow announced (Jan. 25) that members of the Youth Corps in the Hangchow Tax Bureau would utilize the spring festival to promote the drive, and had called on all youth in the city to aid in "the wiping out of capitalistic thinking which still exists in the Tax Bureau."

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Hangchow also announced (Jan. 23) that a special broadcast had been arranged for Jan. 25, with "on-the-spot confessions and accusations." Chungking reported (Jan. 26) that a rally of 65,000 persons at Chungking was broadcast for the benefit of 30,000 more radio listeners, who heard reports of 3,298 cases of corruption and 9,500 investigations. Peking announced in numeral code (Jan. 29) that the Peking Film Producing Company had produced a newsreel on the anticorruption drive, while Hangchow said (Jan. 30) that in Chekiang Province art and culture circles were preparing propaganda materials in the form of articles, pictorials, and plays. Anshan announced (Feb. 3) that the local Bureau of Propaganda had called a meeting of seven city departments to organize an anti-corruption-drive publicity committee. Wuhsi reported (Feb. 3) that Wuhsien high school and college students held a rally Feb. 1 under the leadership of the Youth Corps to "wipe out remnant capitalistic thought" by attacking corrupt elements, "including those in their own families." Kunming announced (Jan. 23) that the Chuching Special District, Yunnan, was now making progress in the drive following the removal of several cadres for laxity.

Hangchow (Jan. 30) reported successful efforts in the Hangchow Railroad Bureau, where concentration was now centered on getting the "big corrupt elements," a process known as "tiger hunting." Chungking said (Feb. 2) that the Southwest Military Control Commission had organized a "tiger hunt team" and designated February as the month to hunt "big corrupt elements," several of whom already were awaiting trial. Wuhan announced (Feb. 3) that the Wuhan Joint Inspection Committee began work Feb. 1 by announcing a campaign against major corrupt elements under the leadership of Mayor Wu Te-feng, chairman of the committee of 22. Sian said (Feb. 3) that in the Northwest the major Government organs had reached the stage for a drive against major corrupt elements, many of which still remained to be wiped out. None of these broadcasts made clear whether the big corrupt elements against whom the drive is to be focused are in Government or business.

Concentration on Merchants. There was noted a growing tendency to overlook or sidetrack corruption in Government offices and center attention on the evil acts of business and industrial circles, especially merchants. Even when bribery of Government employees was involved, chief blame was placed on the businessmen, who were accused of corrupting Government officials. Shanghai clarified this tendency in a broadcast (Feb. 3) by announcing a new campaign--a "campaign against the practice of graft, tax evasion, pilferage of State property, cheating on labor and materials, and filching of information on the state of our national economy." The broadcast made clear that the new campaign is directed against private business concerns, and outlined regulations forbidding "managers, submanagers, and other responsible persons in private shops" from taking leave, closing shop, discharging employees, suspending payments, refusing to provide food for employees, beating or cursing shop clerks, assigning workers to other positions or other cities, or hindering employees from attending meetings. Thus a drive which started out to increase national production and prevent waste, first became a drive to eliminate waste, corruption, and bureaucracy in all offices and establishments, and now has become a direct attack on corruption among private businessmen, especially merchants.

Anshan announced (Feb. 3) that a rally was attended by youths, workers, and Government cadres to "discuss the drive against corrupt merchants who have refused to make a full confession." Tsinan reported (Feb. 3) that the city People's Consultative Council met to promote the drive "among the city's businessmen," who were called upon to "change their thinking and wipe out the last vestige of capitalism." The Tsinan Government has organized an inspection team of 1,000 cadres to check the local shops for corruption, tax evasion, cheating, and so forth. Earlier Tsinan had reported (Jan. 21) that Youth Corps members in Chu 2, 3 and 4 had reported 200 cases of corruption among local merchants. Liu Chi-shun of the Yung Hsing Tea Store, Chu 6, had talked the manager into confessing to tax evasion on 50 million yuan, and Liu Chang-shan of the Wanchuan Medicine Shop had persuaded his manager to denounce Wu Shou-chang, section chief in the city Bureau of Trade, for accepting a bag of flour and 100,000 yuan. Tsinan said (Jan. 24) that most of the corrupt elements in local government circles were leftovers from the former regime, or had "corrupted cadres and infected them with bourgeois thinking," and added:

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In addition unscrupulous merchants have compromised upright Government officials and bribed them into engaging in corrupt dealings at the expense of the Government. Their tactics are not only shameless, but also very thorough. For example, a comrade in the Tax Bureau who was an honest and upright official became corrupted and accepted bribes amounting to more than 4 million yuan by permitting the merchants to evade the payment of more than 20 millions in taxes. Although this comrade was forced into a compact of secrecy by the merchants, yet he was brave enough to make a confession and denounce the corrupt merchants. Other comrades followed him and exposed 17 other unscrupulous merchants. These unscrupulous merchants now are forced to make their own confessions. (Tsinan, Shantung Regional, Jan. 24)

Mukden announced (Jan. 22) that Party cadres were making an inspection of the city's mercantile establishments to find unreported cases of corruption. Hefei said (Jan. 23) that in Pengpu Youth Corps cadres were organizing teams to check on local merchants. Taiyuan announced (Jan. 21) that the local People's Consultative Council had met and issued a call for the masses to make accusations against businessmen. The SHANSI PEOPLE'S DAILY carried an article on the corruption of Government officials by merchants, who had bribed 22 officials with 20 million yuan, causing a loss to the Government of 1.27 billions, and who had refused to confess "in the face of irrefutable evidence."

Wuhan reported (Jan. 22) that merchants in the Huangkang Special District had defrauded the Government of 350 million yuan. Another Wuhan broadcast (Jan. 25) reported 6,000 cases of bribery, profiteering, tax evasion, and fraud among local commercial circles. Wuhan said (Feb. 2) that 40,000 workers in 55 Wuhan factories had launched a drive by exposing 17 corrupt merchants who had led factory cadres into corruption. Wang Kuo-chang, a factory manager with a brilliant revolutionary record, was "corrupted by bourgeois ways" and "fell for the blandishments of capitalistic merchants," with the result that the Government lost 60 million yuan. Wuhan reported (Jan. 29) that in Canton the merchants held a rally Jan. 23-24, at which Deputy Mayor Chu Kuang pointed out 41 illegal trade practices, 39 methods of tax evasion, and other corrupt activities of the 998 merchants present. Canton announced (Feb. 2) that the local Bureau of Labor had exposed several clothing shops for cheating on labor and materials. Mayor Yeh Chien-ying spoke to businessmen at another meeting, urging them to confess their corrupt acts. Kunming reported (Jan. 23) a local rally attended by 5,000 at which Wang Shih-ming, chairman of the Kunming Retail Clerks Union, exposed businessman Liu I-chieh, "who utilized the charms of his daughter to corrupt his employees." At the meeting 3,778 letters were received denouncing 9,500 corrupt elements.

Peking announced in numeral code (Jan. 29) that in Chungking the "struggle against dishonest merchants has become a mass movement." Women's study groups among commercial and industrial circles had increased from 200 to 800, and more than 10 cases of lawbreaking merchants reported by the people were described in the newspapers each day. The Chungking Economy Investigation Committee had sent out more than 20 teams to investigate, with threats and bribery gaining the merchants nothing. On Jan. 23, 44 merchants whose crimes were fairly serious and who "declined to confess" were arraigned by the People's Court. Chungking said (Jan. 25) that five important Party officials had issued a statement praising the local government for the arrest of the 44 merchants and demanding severe punishment. Another broadcast (Jan. 26) said the local People's Consultative Council had passed a resolution "supporting the arrest of the 44 corrupt merchants."

A Peking numeral code transmission (Jan. 30) accused managers of the State-controlled Dairen Department Store of "bureaucratic methods," but placed all the blame for actual corruption in the store on local merchants. It was said that 92 percent of the store's business personnel had been directly or indirectly recommended through the plans of the dishonest merchants, and they included "professional thieves, Kuomintang members who were put under control, prostitutes, vagrants, and dishonest merchants."

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Chao Tung-cheng, former owner of a watch store, was chosen to head the watch section because of his technique and it even was agreed that he would need to attend no meetings and join no studies. He replaced new watches in the store with old ones, and allowed his accomplices to sell the new watches in Port Arthur at a 50 percent profit. Chen Pao-chu, the photographic equipment manager, was a former studio owner. He sold Government property to other dealers, and never charged his friends and relatives. Yu Yuan-hai, former merchant and head of the meat section, grafted to the extent of 30 million yuan. Information of Government readjustment of commodity prices often was revealed prematurely through spies in the store. When the prices on winter underwear were readjusted, the changes were delayed for 3 days to give local dealers time to empty the shelves of the Dairen Department Store and resell the goods at a profit, resulting in a loss of 16 million yuan to the Government. Eight of the 11 administrative section chiefs in the store were corrupted by private merchants, including General Manager Peng Shih-chi, and the Deputy Chief of Transport and Storage, Hsieh I-jen, who later joined the firm of San Sheng Hong.

Dairen announced (Jan. 24) that cotton merchants in the Dairen-Port Arthur area were arrested in October for fraud in fulfilling Government cotton contracts. Hsiao Chung-chieh, owner of the Yuli Cotton Shop, defrauded to the amount of 1,920 catties of cotton in September 1950 and 420 Army quilts in June 1952. Liu Chien-chung of the Asia Mills stole 700 catties of cotton which he sold for 12,000 yuan a catty. Other merchants arrested were Lu Ting-ke, Wang Ke-cheng, Chu Tso-shan, Yu Lo-shan, Tseng Hsun-fu, Tao Kuang-chung, and Tao Kuang-hsing. "Their crime is especially serious as they were endangering the national security just at the time when the Korean war began."

Peking reported in numeral code (Jan. 24) that the Peking municipal Austerity Committee was "thunder-struck" at the cases of bribery, tax evasion, robbing and cheating committed in local commercial and industrial circles. In 2 days 11 arrests were made, and on Jan. 18 alone there were reports of 15,000 confessions. "Still there were numerous lawless industrial houses which had not admitted their illegal acts." Among those arrested was Tsang Te-shan, owner of Tech Stationery and chairman of the Stationers Trade Union, who had "assumed an air of enthusiasm in the course of the movement in an attempt to cover all his illegal crimes." His volume of sales not reported for taxes reached more than 1.7 billion yuan. Since 1949 he had spent 20 million yuan in bribing cadres, 4-5 million of which he admitted. Another businessman "who stubbornly refused to confess" and was arrested was Jen Li-ting, assistant proprietor of the Ching Feng-hou Fur Store. He had bribed to the extent of 9 millions, grafted to the extent of 300 millions, and evaded taxes totaling 173 millions. Wu Kuo-chen, owner of the Chigua Construction Company, was allowed to go free following his confession, though he had caused a loss to the Government of 820 million yuan. Chang Yung-mao of the Teyi Lumber Company admitted to bribes totaling 16 million yuan. Peking reported in numeral code (Jan. 25) that in Tientsin 15 "lawless merchants" had been arrested for cheating.

Efforts of Shop Clerks. It is apparent that no Party or Government officials are in as good a position to know what goes on in a business house as are the employees of the individual merchant or businessman. Therefore a widespread effort has been made to mobilize business employees, especially shop clerks, as the main weapon to be used in attacking private merchants. This not only is effective in exposing the illegal activities of the merchants, but also it promotes class strife, or "struggle." Also, it is quite probable that a large percentage of shop clerks are easily induced to turn against their employers, especially when promised rewards and protection.

Wuhan reported (Jan. 25) that 7,000 shop clerks in Canton were brought together Jan. 21 and asked to collect systematically evidence against their employers. Mayor Chu Kuang assured them that they would have protection against the merchants they reported. Shanghai announced (Jan. 21) that more than 200,000 shop clerks had been "mobilized" at meetings. The same radio announced (Jan. 23) that in Tsinan the shop clerks would hold 100 meetings to "study the movement" before beginning accusations against shopkeepers. Wuhsi reported (Jan. 24) that in Chengchow five shop clerks had pledged themselves to refrain from going home for the spring festival holidays, but to spend that time, instead, in gathering evidence against merchants. They issued a challenge to Hangchow clerks to adopt similar measures. Hangchow announced (Jan. 22) that instead of returning home for the holidays local clerks were using the time to uncover instances of corruption. The same radio (Jan. 23) said that the Hangchow Store Clerks Union

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had issued a statement supporting clerks Kao Chi-hsun, Chen Ta-sen, Ho Pao-au, Chen Hai-ming, and Chen Po-jen in their decision to use the spring festival holidays to expose corruption. Hangchow announced (Jan. 29) that 12,000 shop clerks, 80 percent of those in Hangchow, had stayed on the job during the spring festival. In five chu 2,000 had met to study the drive before accusing 2,000 merchants. Another Hangchow broadcast (Feb. 3) said that Hangchow shop clerks "held indoctrination classes" during the spring festival, with 2,200 completing the course and then "lining up their fellow clerks to make accusations against corrupt merchants," with 6,000 accusations already made. Li Hsiu-chuan, Tachung Art Photo Shop clerk, was expelled from the union for abetting corrupt merchants, but soon realized his error and atoned by exposing 24 cases of corruption. During the spring festival shop employees at Chunhua, Chekiang Province, exposed 289 cases of bribery by merchants, while those at Chuchow reported 657 cases.

Hangchow reported (Jan. 30) that at a shop clerks' meeting in Chinhua Jan. 24 Party Secretary Yuan called on the group to "accuse corrupt merchants as if they were the proletariat struggling against the bourgeoisie." He was rewarded by 280 reports during the meeting. Peking announced in numeral code (Jan. 29) that 70 percent of the shop clerks in Chungking had joined in the movement, with 8,000 turning in accusations up to Jan. 22, although merchants sought to "undermine the economy, hamper reconstruction, and obstruct our campaign against graft and corruption." Kunming announced (Feb. 2) that Yunnan workers had "fearlessly made accusations against corrupt elements" and had organized an inspection committee.

Dairen announced (Jan. 26) that the clerks union in the area had issued a letter saying 200 corrupt merchants had been denounced by clerks in a few days, and warning clerks to be on guard "against tricks and blandishments of merchants who might try to use the good feeling of the spring festival." The clerks were assured that they need have no fear of revenge by the merchants. Wuhsi reported (Jan. 30) that Chinchiang, Kiangsu, had received word of 941 cases of corruption from Jan. 15-22, 70 percent of them reported by shop clerks. The reports revealed interesting facts about Government officials "who thought they were free after confessing to minor misdeeds." Wuhan reported (Feb. 1) that at a shop clerks' rally Jan. 25, 277 merchants were exposed and a large number of clerks "admitted to being corrupted by merchants."

Peking announced in numeral code (Jan. 27) that clerks in Tientsin had reported 7,000 cases of corruption, and "many merchants were worried for fear they had been reported." Wuhan said (Jan. 29) that Canton clerks had set a record, reporting 20,778 cases. Tsinan reported (Feb. 3) that Tsingtao shop clerks had reported more than 30,000. Wuhan said (Jan. 30) that clerks in Nanchang had reported 1,260 cases, as well as six cases of bribery amounting to 10 million yuan. Wuhan added (Jan. 31) that 540 cases of corruption among local merchants were reported by shop clerks on Jan. 28 alone. Other reports of large numbers of merchants being reported by shop clerks were monitored from Chungking, Shanghai, Sian, Hangchow, Wuhan, Taiyuan, and Wuhsi. These reports were not limited to the broadcast cities alone, but also showed activity of shop clerks in Kweiyang, Chiahsing, Wenchow, Ningpo, Hsuechang, Chengchow, Tientsin, and Chinchiang.

Actual cases also were broadcast. Hankow reported (Jan. 30) that Wang Te-sheng, clerk in the Kirin State Yarn factory, exposed Wang Yung-fan, corrupt merchant who regularly received goods to be processed from the factory and connived with the factory business manager to cheat on labor and material. Wuhsi reported (Jan. 30) that at a Wuhsien clerks' meeting Jan. 24 Chang Lo-chou exposed Lu Shao-hsing, owner of a bean curd shop, for cheating to the amount of 20 million yuan on bean curd for the Chinese Volunteers. Clerk Wang Te-fa denounced the owner of the Tachung Pharmacy, who tried to bribe him following an accusation. Wuhan announced (Jan. 31) that Wang Ting-shen, clerk in Hsuechang, Honan, accused shop owner Kung Pi-cheng of bribing tax officials with a wrist watch to evade payment of 5 millions in taxes. Hangchow said (Jan. 22) that Wu San-kuei, owner of the Shantung Tea Store, was reported by a clerk he tried to bribe. The same radio reported (Jan. 24) that in Wenchow, Chekiang, Chiang Ching-tung confessed to receiving a wrist watch from merchants who evaded taxes. Canton reported (Feb. 1) that Mo Chi-li, clerk in the Victory Pharmacy, Taiping Chu, accused the proprietor, Mo Te-jen, of evading taxes of 200 million yuan in 1950. Though he was related to the proprietor, Mo organized the clerks in the shop to study and make accusations. Sian reported (Feb. 1) that shop clerks in Lanchow, Kansu, accused merchant Ma Jung-ping of defrauding the Government in the amount of 520 million yuan. Dairen reported (Feb. 2) that Tung I-hsiang, owner of the Huatung Shoe Shop, was charged with beating clerk Lu Su-cheng for reporting his evasion of 2 millions in taxes. Chi Yuan-chai,

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manager of the Tunghsing Towel Factory, and factory owners Yao Ta-chang and Hsieh Ching-te, also were accused of beating employees. Chi beat up a woman worker, Li Cho-hua, who had exposed him, and then spread rumors against her.

Chungking announced (Jan. 22) that at a shop clerks' rally Jan. 20 Chao Chi-chai of the Wenfang Trading Company accused the firm of illegally dealing in 3,000 ounces of gold. Seventy import-export trading companies also were accused of smuggling 21,540 ounces of gold, with some firms paying up to 200 million yuan in bribes. One cloth firm paid 34 million yuan in a single bribery case. Chu Te-fu, 15-year-old apprentice, accused the Tatung Auto Parts Shop of evading taxes. Chungking reported (Jan. 25) that shop clerk Li Chi-seng exposed one corruption case amounting to 50 million yuan. Kunming said (Jan. 21) that Lo Chien-fu, clerk in a tin shop, reported at a clerks' meeting that he had postponed his wedding in order to be present and accuse his uncle of evading taxes. Kunming reported (Jan. 26) that hardware clerk Chen Shao-kuen denounced the proprietor of the Yu Feng Watch Shop, Chen Pai-fu, for misappropriating Government property. Hardware clerk Ching Kuo canceled his spring festival vacation to fight corruption. Thirteen hardware clerks signed a pact to "fight corrupt merchants to the death."

Kunming announced (Feb. 2) that charges had been preferred in the People's Court against Liu Shen-ming, a merchant, for beating up clerk Fu Chi-yang Jan. 23 when he requested a loan. Yeh Wei-ying, woman clerk in her husband's shop, accused her husband of corruption, and Chu Yung-kang accused her husband of accepting bribes. Ku Chung-chi of the Hsinhua Cloth Shop accused his father of evading taxes. Tsinan announced (Jan. 30) that 10,000 persons had heard memorial service honoring clerk Kung Erh-chang, killed by his employer, Chao Chi-hua, "an example of the struggle between capitalism and the masses."

Peking reported in numeral code (Jan. 27) that Chu Tsao, apprentice in the Yuchinting Dumpling Store, Chinan Chu, Shanghai, was fired because he accused his employer. The Oil Cake and Dumpling Trade Union also protected the proprietor, and sent Chu home, but he returned with officials of the city government and the trade unions, and forced the owner to offer recompense. Some proprietors have tried to "lure the tiger to leave its mountain" in an effort to evade confessions. They offered their employees spring festival parties, year-end bonuses, advanced annual leave, and so forth. Some even held confession meetings of their employees, trying to hide their own corruption. Hangchow reported (Feb. 3) that Youth Corps members Lu Chia-wu, Chang Tse-tao, Tai Wan-shan, and Chen Wen-huai of the Ningpo branch, China Department Store Company, exposed Tung Ya-lin, charged with 16 cases of corruption and being a signatory of a mutual secrecy pact. Anshan said (Feb. 3) that employees exposed Yu Wen-chuan, manager of the Shanchung Electrical Supply Company, who threatened his accusers and said if he died his son would avenge him. Hangchow reported (Jan. 30) that in Wenchow Li Ching-chiang, King Te-chu, Yu Shao-kuang, and Wang Shao-hsing, officers in the Paper Trades Association, were arrested for trying to prevent shop clerk Wang Ling-kao from accusing Association President Ling Yu-hsin. Wang Shao-hsing was the father of the shop clerk.

Confessions and Accusations. Meanwhile the pattern of public confessions under pressure, followed by accusations against others, was maintained independently of the shop clerks' drive. There was evidence that some merchants and officials yielded to pressure, admitting some of their corrupt practices in order to evade further investigation. There also was evidence that Party and Government officials considered some of the confessions inadequate, and promises of immunity in return for public confession were less frequent.

Peking reported that at a China Animal Products Company rally 80 percent of those present confessed to waste or corruption, or made accusations against others. There were numerous cases of wives denouncing their husbands, or sons and daughters accusing their parents. The result has been a changed attitude on the part of company officials and employees. Instead of the widespread feeling that each unit was short of housing and automobiles, rooms and cars are now being released voluntarily. Other quotes follow:

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The business of big restaurants, foreign clothes tailor shops, furniture stores, and so forth, has been greatly reduced. Not a single motor car can be seen parked in front of the several big theaters in Peking, where in the past motor cars would have been

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lined up every night.... These developments have created good conditions for launching raging attacks on the big corrupt elements. As the broad masses have been fully aroused and have taken action, the big corrupt elements are thus isolated, whereas the medium and small corrupt elements have been enabled to understand clearly their own issues and have joined in this struggle.... Up to Jan. 25, 60 big corrupt elements who pocketed over 100 million yuan each have been arrested.... The movement will be thoroughly carried out to the end. Its impact left on every phase of New China will be far-reaching. (Peking, Numeral Code, Jan. 25)

Chinchow (Jan. 23) reported a meeting of Women's League members at which the women were urged to "make their loved ones" confess. They also were warned to "watch out for unscrupulous merchants who bribe cadres and utilize the charms of women in their corrupt dealings." Tsinan announced (Jan. 21) that at a merchants' meeting it was revealed that 2,000 cases of tax evasion and corrupt relations with officials had been reported. Party cadres in the Service of Supplies, Shantung Military District, were told at a meeting Jan. 13 that a check of the warehouses to determine the amount of missing property was under way, and that cadres should confess and return the stolen property if they hoped for clemency. Tsinan said (Jan. 22) that in Chouping merchants met and increased their confessions to 920, added 206 supplements to former confessions, and made 365 accusations. Tsinan announced (Jan. 24) that the confession program had been a great success and would be extended one week.

Shanghai reported (Jan. 30) that 2,300 letters of confession and accusation had been received, 12 of them delivered personally. At a Shanghai city rally, according to another broadcast (Feb. 2), Deputy Mayor Pan Han-nien reported that 3,477 city employees had confessed to acts of corruption involving more than 3.75 billion yuan. He presented this as "evidence of capitalistic inroads into the People's Government." He also accused Yen Meng-liang, chief of the city General Affairs Department, of conniving with merchants to defraud the Government and refusing to confess.

According to Hofei (Jan. 30) many corrupt elements confessed at a rally in Wuhu Jan. 22, and 20 persons made accusations against corrupt elements in the police department. In Shanho Chu, Shou Haien, Anhwei, three meetings were held, where farmers were given instructions in making accusations, and where Party cadres, "with the assistance of the audience," confessed to corruption involving nearly 2 million yuan. In Changhui Hsiang 40 farmers made accusations against corrupt Government officials. Hangchow announced (Jan. 22) that the confession and accusation stage had been reached in the Chekiang Department of Communications, with confessions rising to 436 and accusations to 297. Many who previously had confessed demanded a new chance "because of a better understanding of the problem." A meeting of families has been called, as it has been found that many cases of corruption stem from lavish living. In the Chekiang Department of Finance one Party member exposed a corruption case involving 300 million yuan.

Hangchow said (Jan. 30) that more than 3,000 confessions and accusations had been made in Chekiang provincial offices. The same radio announced (Jan. 31) that at a provincial Department of Trade meeting Jan. 26 the vice president of the Chekiang branch, China Tea Company, was accused of corruption, while 36 officials of the company confessed and 40 others were accused of refusing to confess. Hangchow said (Feb. 2) that students were remaining in Hangchow during the winter vacation to "expose their corrupt fathers or other members of the family," or to persuade them to confess. In the Chekiang Industrial College 14 students made accusations, and a propaganda team was organized in Chekiang University.

Wuhan announced (Jan. 23) that Mayor Wu had called on all businessmen to confess by the end of the month if they expected leniency. Another broadcast (Jan. 30) reported a meeting of Government cadres, where Mayor Wu charged them with corruption and laxity, and warned that only by confessing could they hope for leniency. Nanchang announced (Jan. 24) that by Jan. 22 confessions in the

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area totaled 1,044, of which 70 percent were made by officials of financial and economic organizations. Most of the corruption had resulted from collaboration with lawbreaking merchants, who tempted the officials by giving feasts, presenting gifts, bribing, and lending money. Information letters had reached 2,000, and a "majority of them bore correct charges." Also, 11 grafters who had refused to confess had been apprehended.

Sian announced (Jan. 24) that the confession stage had been launched at Yen-an, Shensi, with a confession by the Party secretary, who also attacked the fallacious thinking of cadres to the effect that corruption could not exist at Yen-an, as it is "the bastion of the liberation." In Sinkiang Province the confession and accusation stage was reached, and at a rally Jan. 24 in Lanchow, Kansu, 100 cases of corruption were reported involving hundreds of millions of yuan.

According to a Chungking announcement (Jan. 26), 900 cases of corruption were reported at a merchants' meeting in Nanchung Hsien, Szechwan. Another broadcast said (Feb. 1) that by Jan. 26 confessions and accusations reported among Chungking merchants had reached 53,599, with losses to the Government of 60 billion yuan. Losses to dealers in the machinery trades alone amounted to 12 billions. In the rubber industry losses were 600 million yuan as the result of corruption, and excess profits reached 12 billions. Chungking merchants were said to be attempting to evade confessions by secret pacts, refusal to appear, or the confessing of "minor misdeeds." However, "following the arrest of a few merchants the others are quickly coming forward." Kunming reported (Jan. 22) that business circles in Kunming had reported 1,100 cases of corruption.

A considerable number of reports concerning confessions and accusations were more specific. Peking reported in numeral code (Jan. 31) that Kao Wen-shen, a chief clerk in the Railway Ministry, and Li Tao-hao, manager of the Dyeing and Weaving Factory, Tientsin, plotted to raise the price of canvas, resulting in an enormous profit for the factory and a bribe of 120 million yuan for Kao. They made an agreement not to confess, but Li was frightened into a confession through prospects of losing his property, forcing Kao also to confess. Dairen said (Feb. 1) that Lu Shih-chun, teacher in the 11th Primary School, accused the Yung Mou Contracting Company of defrauding the Government of 24,351,480 yuan by cheating on labor and material on repair contracts. The fraud amounted to 7.1 million yuan on window glass alone. Sian reported (Jan. 31) that at a Sining merchants' meeting Tung Kuan-seng was accused of corrupting cadres in order to defraud the Government. According to Nanchang (Feb. 1), in Chaomei Hsiang, Chu 6, Nanchang, 42 rural cadres, led by Jui Cheng-shou, confessed to 115 cases of corruption involving 3,665,000 yuan. In Shangfang Hsiang 19 rural cadres who had evaded confession were accused of fraud involving 15.8 millions.

Chinchow reported (Jan. 23) that the manager of the Chinchow Textile Mills made a public confession and threatened to fire any employees who refused to confess. The Liaosi Province Mining Bureau called a meeting Jan. 17 because some cadres had been lax, at which 80 cadres came forward to make confessions. Party cadre Wang Kuo-liang of the Fushun Colliery made a confession, while cadres Wang Ching-wu, Tao Chi-su, Liu Chao-yen, and Yu Tsu-huai made confessions Jan. 21 at a business circles cadre meeting. Tsinan reported (Jan. 31) that at a Shantung Government rally Jan. 30 the provincial governor pointed out that many corrupt elements in high places still had not been exposed. Liu Su-chang, Peng Chiang-chun, Teng Cheng-tao, Ma Chien-ping, and Liu Ming immediately confessed. Tsinan said (Feb. 2) that leading cadres in the No. 6 yard of the Shantung Department of Construction confessed to corruption involving 65,666,800 yuan. Che Cho-wu confessed to bribes of 7,059,000, and Hsu Te-wu confessed to receiving 9.1 million yuan, at a loss to the Government of 32,575,000 yuan. Waste at this yard was estimated at 1.59 billion yuan, and unnecessary construction amounted to 71 millions. Accusations were made against Lu Chang-chang, Kuo Fu-yen, Chao Shu-chia, and Liu Chien-ping, all of whom were discharged and are awaiting trial.

Yangchow reported (Jan. 23) that Director Shen An-jen and Deputy Director Chao Ssu-ping of the Yangchow Tax Bureau made public confessions Jan. 16 of their extravagance and bureaucracy. Yangchow said (Jan. 30) that Yao Chu-te, North Kiangsu Oil Factory technician, confessed to receiving bribes from corrupt merchants. Forty-one employees of four trading companies have registered their desire to make confessions when the time comes. Hangchow announced (Jan. 22) that the Chekiang Communications Department called a meeting of 190 dependents of workers Jan. 19, when Deputy Chief Wu Hua-wen called on wives to denounce corrupt husbands. The wife of

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Pan Yu-seng, train station employee, accused her husband, and others promised to do the same. An illustration of the pressure put on officials to make confessions is seen in a Hangchow broadcast (Jan. 23) which said that Safety Bureau Deputy Chief Liu Tse-kang was "forced to make a public confession of corruption after having refused to do so." Another Public Safety employee, Han Pi-hsiang, accused of taking 10 million yuan, was discharged and held for investigation "because of his unsatisfactory confession." Hangchow reported (Jan. 30) that at a Ningpo Party cadres' meeting Jan. 20 Lo Tung-tang of the Traffic Bureau was accused of corruption. Hangchow said (Jan. 31) that at a meeting called by the Chekiang Department of Agriculture and Forestry Jan. 19, 11 merchants with which the Department had direct dealings made confessions. Chang Tung-tso of the Chunghua Pharmacy confessed that Ho Hua, Department employee, bought 9.4 million yuan worth of goods from him, so he gave Ho a kickback of 400,000 yuan. "This case clearly proves the power of the capitalistic forces which are attacking the People's Government." Hangchow reported (Feb. 1) that Lu Chi-hsiang, Chi Hou-fen, and Chang Wei-jen were again called upon to make confessions after they had refused. Lu confessed to having received 120 million yuan in bribes, while Chi received 12 millions. Both were fired, expelled from the Party, and held for trial. Chang's case is still pending, awaiting his confession.

Wuhsi reported (Jan. 22) that 20 stations in the Chekiang Railway District had started confessions, with Party Secretary Li Yao-chang making the first confession, followed by Li Wang, a cadre. "Station masters competed in confessing." The same radio reported (Feb. 1) that at a trade circles' rally in Chenchiang, Kiangsu, Jan. 24, 10 merchants confessed in person and 60 others wrote letters. Shou Kuan-sheng, vice manager of a salt company, confessed to robbing the Government of 600 tan of salt, while Yao Chu-shih, manager of the local branch of the People's Bank, was charged by several merchants with conniving with them to defraud the Government. Wuhsi reported (Feb. 3) that at four theaters in Changchow Feb. 1 confessions were made by Lu Chin-fu, member of the Board of Trade; Hsu Hsi-jui, manager of the Chujencheng Shop, Kung Ke-i, manager of the Juifeng Paper Factory; Chang Yung-ping, vice manager of the same factory; Chang Chu-jen, manager of the Chuchu Cloth Shop; Li Chi-l'an, manager of a dyeing shop; and Lu Ping-ling, manager of the Kunghsing Lumber Yard. "Cadres came forward and made accusations against those who confessed insincerely or incompletely." Many merchants tried to place the blame on cadres, by saying the bribes were loans solicited to pay such costs as medical fees. Wu Chi-ming refused to confess to membership in a mutual secrecy pact.

Canton reported (Jan. 23) that Liang Tun, worker in the city bus system, made accusations against employees who sold gasoline and auto parts. The same radio said (Feb. 2) that Tachunghua Rubber Company workers were accused of bribing the Government purchasing agents, while the Kwangtung Rubber Works was accused of corruption involving 300 million yuan. Kunming said (Jan. 30) that Ma Te-jen and Liu Chu-ming, Department of Industries employees, were exposed for corruption. Ma refused to confess "and even tried to keep others from exposing him." Kunming said (Feb. 2) that Yeh Chi-an, a merchant, had confessed to dealing in opium, while 691 cases of corruption had been reported in the past 3 days.

Chungking said (Jan. 30) that in Napu Hsien, Szechwan, several corrupt elements were "forced to make confessions," then handed over to the police, while "those who voluntarily confessed were warned and released." Kunming reported (Feb. 3) that in the Wenshan Special District, Yunnan, a rally was called Jan. 26, as cadres had been relaxing in the drive through "the hesitancy of the masses in making accusations." Cadres who had held back were told to take part immediately, with the result that 290 cases of corruption have been reported. Taiyuan announced (Jan. 22) that at a rally three cadres were exempted from punishment after full confessions; four were removed from office and expelled from the Party because they refused to confess, "though their offenses were minor;" and one lawbreaking merchant was "arrested on the spot." Hangchow said (Jan. 31) that in the various railway units of the Hangchow area punishment had been inflicted on 189 corrupt elements by Jan. 23, and more than 1,500 grafters had confessed. Some have not confessed, but clues "to the big corruption cases have been discovered." Hangchow reported (Feb. 2) that at a Party rally in Linan, Chekiang, Tung Chi-hsiang, Chi Hao-feng, and Chang Wei-jen refused to confess, so were removed from office and sent to the judicial authorities.

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Hangchow said (Feb. 1) that Yu Ming, purchasing agent in the Chekiang Conservancy Bureau, was accused by his fellow office workers of taking 20 million yuan and organizing corrupt merchants into a League of Mutual Secrecy. In indoctrination class he denied this, but when faced with the facts he confessed. Wuhan reported (Jan. 21) that Feng Shao-chi, head of the Hainan Military Administration, estimated corruption in his administration at well over 630 million yuan. In addition the Hainan General Merchandise Company was accused of wasting 100 millions. Hofei reported (Jan. 30) that Lin I-sheng, North Anhwei Salt Company clerk, received 4.5 million yuan from salt merchants and connived with them to hide the affair; Kin Ming-jui, business manager, Anhwei Institute of Medicine, defrauded the Government of 6 millions but denied it in the face of accusations; and Cheng Chia-ke and Chen Shao-ching, deputy chiefs of the Business Department, Minyeh Trading Company, "refused to confess their corrupt dealings." All were discharged and handed over to the People's Court.

Tsinan announced (Jan. 25) that Ma Ssu-tang, head of the Lini Hsien Cooperative, Shantung, had been sentenced to prison along with Wang Yu-feng and five other merchant accomplices, in connection with a corruption case involving 60 million yuan and "their refusal to confess." Peking in numeral code explained (Jan. 22) that Tientsin workers had reported 20,000 cases of corruption and bribery, for "in the past some people took things away from the factories, fearing there would be no security in life. They should be induced to return the things they took away."

Cases of Corruption. Not all instances of corruption were revealed through public confession and accusation meetings. Many, including some of the most serious ones reported, were uncovered in some other fashion. Mukden announced (Jan. 22) that the People's Council, meeting Jan. 19, reported 7,224 cases of corruption involving 3.39 billion yuan. Anshan announced (Feb. 2) that Party cadres in the Anshan Health Department had been arrested for corruption in connection with the purchase of supplies. Tsinan reported (Jan. 31) that in the Fifth Bridge Engineering section, Engineering Department, Tsinan Railway Administration, eight "former Kuomintang employees who had been retained" were discovered to have "collaborated with wicked merchants" to misappropriate Government funds and steal and sell Government property worth 1.14 billion yuan. Kaifeng announced (Jan. 23) that in the Nanyang Special District, Honan, in the First Chu alone, 191 corruption cases had been discovered in the 198 offices, involving 352 persons and 355 million yuan.

Hangchow announced (Jan. 21) that Shen Ho-chi of the Chekiang Department of Industries had been arrested and charged with taking 174.27 million yuan in cash and 16 million yuan worth of Government property. Yang Ko-ta, Party cadre, also was arrested and charged with taking a bribe of 15,264 catties of rice. The same radio said (Jan. 22) that 120 persons had been arrested for corruption in the Railway Bureau, Hangchow section. Hangchow reported (Jan. 25) that (Chen Hsien-kuei) had been sentenced to 12 years in prison following a public trial, while the death sentence was decreed for (Hsu Tseng-yu), tax evader, and (Chang Chang-keng), charged with ill-treatment of employees. Another Hangchow broadcast (Feb. 1) said Kan I-ning, vice manager of the Chekiang branch, China Tea Company, would be tried for corruption. He had been vice manager of the Chekiang branch, Kuomintang Central Trust Company, and had taken Government property worth 100 million yuan in the form of gold bars, cotton yarn, cloth, oil and other goods. In 1949 he placed an order for steam pipes in Shanghai and got a rebate of 20 millions. Chou I-liang, hospital official, stole drugs and was involved in corrupt dealings amounting to 113 million yuan, while Hsu Shih-jen, director of the Public Health Laboratory, engaged in corrupt dealings involving 270 millions. Both these "big corrupt elements" were arrested. Hsu Ming, Chekiang Water Conservancy Bureau official, was arrested because of corruption to the amount of 20 million yuan involving dishonest merchants. He refused to confess because he had mutual secrecy pacts with the merchants.

Wuhan announced (Jan. 24) that the local Austerity and Inspection Committee had reported 1,000 cases of bribery, fraud, tax evasion and profiteering. Manager Jen Hai-shan and Assistant Manager Ling Fa, Canton branch, China General Merchandise Company, were removed from their positions for corrupt dealings with merchants causing a loss of several billion yuan to the Government. Wuhan said (Jan. 31) that Li Hsiang-wu, in charge of the workers' supply office of the Chengchow Railway Bureau, connived with merchants to steal 900 million yuan worth of Government property. In Hunan Hu Kuo-ho received 12.5 million yuan when he purchased machinery for a Government processing plant. A clerk in a State trading company was given 18 items as gifts.

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Hankow said (Jan. 30) that in the No. 3 office of the No. 1 suboffice of the Tax Bureau, located in a cigarette factory area where merchants and officials gather to wine and dine together as a matter of course, a merchant tried to bribe tax official Chu Su-ping with 100 million yuan. When Chu refused the bribe he was told to keep the matter secret, but when he transferred to the central office he "felt it was his duty to report the case." Chungking reported (Jan. 22) that Tai Pu-chi, owner of the Chunghua Auto Repair Shop on Hanchung Road, had been handed over to the People's Court for bribing Government officials to accept poor work and sell him Government property. Chu Ko-tung, owner of the Chienhua Construction Company, was charged with defrauding the Government of one billion yuan on contracts, while Yeh Hao-fang, owner of the Mingseng Lumber Company, also defrauded the Government on building contracts. Ho Te-hsien, business manager of the Hotun Shipping Company, has been charged with working with his son in the shipping department of the China General Merchandies Company to rob the latter of 160 million yuan.

Kunming announced (Jan. 21) that (Hsu Kuo-mi), head of the material sales department of the Yunnan Finance Office, cost the Government 1,326,000,000 yuan through corruption. Kunming said (Jan. 25) that railway guards of the Kunming Railway Administration had held a meeting to indict Yao I-cheng, Peng Te-hua, Liu Ming-i, King Te-seng, Chi Chung, and Tieh Ko-seng, all former Kuomintang reactionaries who had disgraced the guards by their corrupt practices. King was a former gangster who solicited bribes from merchants. Kunming reported (Jan. 26) that in Anning two Government employees stole Government property and money.

Tax Evasion. While not numerous, some of the tax evasions reported in radio broadcasts involved large sums of money and reflected considerable resistance to Government levies. Chungking announced (Feb. 1) that in Kunming tax evasions over the past 2 years would total 300 billion yuan, with 95 percent of the businessmen guilty of evasions. Taiyuan said (Jan. 21) that the International Pharmacy in that city had dodged taxes to the amount of 70 million yuan. Shanghai reported (Jan. 23) that Chao Chang-chi, Shanghai merchant, had been remanded to the People's Court for tax evasions of a million yuan in 1951.

Wuhan announced (Jan. 30) that in Nanchang one tax evasion amounted to 500 million yuan, while 20 others reached 100 million yuan each. Wuhan said (Feb. 1) that a local clerk reported his store manager, (Kuo Peng-chen), who evaded taxes totaling 5 million yuan by bribes of watches, fountain pens, medicine, and so forth. In Changsha 8,600 tax evasions for 1951 had been discovered, along with an additional 1,026 for January 1952. Wuhan also announced (Jan. 23) that in Canton the Tax Bureau had uncovered tax evasions by wine merchants amounting to 110 million yuan, with 90 percent of the 245 wine merchants admitting evasions. Another broadcast (Jan. 29) said that shop clerk Han Yu-hsiang of Canton exposed a bookstore which had dodged 338 million yuan in sales tax payments. Canton announced (Jan. 23) that 20,187 local stores and industries evaded taxes, or 54 percent of the total. Evasions in the last half of 1951 reached 30 million yuan. The Canton deputy mayor warned merchants that those confessing to 1951 tax evasions will not have to repay those taxes, "while those who refuse to confess will be fined when they are denounced."

Hangchow announced (Jan. 24), quoting the municipal Tax Bureau, that in 1951 tax evasions by local merchants totaled 14,300, involving 7,439,000,000 yuan. Hangchow said (Jan. 29) that in a meeting of 65 cashiers of Hsiacheng Chu, many reported that they had talked their employers into confessing to tax evasions. Hangchow reported (Feb. 1) that one branch of the Hangchow Tax Bureau uncovered tax evasions of 44.3 million yuan among the paper and stationery trades. Another Hangchow broadcast (Feb. 2) reported that the Shanghai suboffice of the Hangchow Tax Bureau had estimates indicating that 11 paper merchants in the district had evaded 14.3 million yuan in business licenses; 65.6 millions in fees; and 9 millions in stamp taxes. The Hangchow branch of a Shanghai paper firm reported its business at 321 million yuan, when in reality it amounted to 4,861,000,000 yuan.

Laxity, Waste and Extravagance. Reports of laxity on the part of leading cadres still were frequent, coupled with the regular explanation that the entire problem was solved through a short indoctrination program. Reports of waste and extravagance were less common, perhaps because of the concentration on actual corruption.

Dairen reported (Jan. 22) that in the Dairen Oil and Fat Company many cadres among the workers

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were lax, bureaucratic, undemocratic, and "fearful of the workers." Dairen said (Jan. 23) that the Dairen-Port Arthur Party Committee called a meeting of cadres Jan. 19 in an attempt to build up their enthusiasm. Another Dairen broadcast (Jan. 31) told of a meeting of police cadres, who were told by Deputy Director Chen Chung-hsing of the Public Safety Bureau that many of them were lax in leadership and "vague as to the objectives of the drive." Dairen said (Feb. 3) that the Party Committee in the Dairen Railway Workers Union had started a campaign among the cadres, "as many of the workers kept aloof from confessions and accusations and thought some waste was necessarily a part of railway operation." Antung reported (Jan. 24) that at a Party meeting cadres had been charged with laxity. Another broadcast (Jan. 29) said that cadres in the Liaotung Department of Trade were lax, with the result that "corrupt elements have avoided confession, or have made unsatisfactory confessions." Director Liang of the Liaotung Cooperative Bureau also attacked the "hypocritical attitude" of some cadres, who considered themselves free from corruption, and thus "paid no attention to the drive."

Tsinan announced (Jan. 23) that there had been no progress in the drive in the Shantung Health Department because of the lassitude of leading cadres. Kaifeng reported (Jan. 23) that Commissioner Yao of the Huaiyang Administrative District pointed out existing laxity at a meeting Jan. 17, and declared that all cadres who think that no corruption exists among them because they are honest "should reexamine their thinking." Wuhan reported (Jan. 22) that in the China Food Company Party and Youth Corps cadres have taken over direction of the drive because the managers were lax in slating confession and accusation meetings, and instead of accusing employees of corruption, "stressed only the evils of their riotous living." Sian said (Jan. 22) that several offices still were lax in supporting the drive because they thought they were free of corruption.

Kunming reported (Feb. 3) that the Light Industry Workers Union held a rally at which cadres were charged with laxity and with permitting the drive to end after desultory confessions and accusations. The Kunming mayor warned of the "dangers of the capitalistic attack," and urged greater efforts. The unsatisfactory progress of the drive in Chaotung Hsien, Yunnan, was demonstrated by the laxity of Public Safety Department cadres, who allowed one person to spend 5 hours confessing "without telling anything concrete." In the Grain Bureau confessions were dispensed with entirely.

Peking reported in numeral code (Jan. 22) that in Tientsin 700 billion yuan had been wasted through the tying up of capital and through the manufacture of inferior goods. Dairen announced (Feb. 1) that Dairen-Port Arthur Communications Company workers agreed at a meeting Jan. 31 that waste in the organization had reached 1.2 billion yuan, and corruption had cost 9.5 billions. Wuhan reported (Jan. 22) that at a Hainan rally it was disclosed that the Hainan Miscellaneous Goods Company wasted 100 million yuan because of poor management, while waste in all financial and economic units of the Hainan Administrative Office amounted to 630 millions. Hangchow said (Jan. 31) that in the Hangchow railroad station of the Shanghai Railway Control Bureau the loading quotas had been filled 53 days ahead of time. "However, as a result of their unrationed work they loaded only two or three tons to the standard 30-ton baggage car," causing a waste of 2,628 baggage cars—8,958,000,000 yuan.

Mukden announced (Jan. 22) that local trade unions had called a meeting of workers' families to urge that they refrain from extravagant spending during the spring festival. Wuhan announced (Jan. 30) that Mayor Li Kuo-ming of Kongmoon, Kwangtung, had been removed from office because "he did not see the error of his ways." He had proposed to the Government that 10 percent of the taxes be retained "for his grandiose capitalistic construction projects." When his request was rejected he "openly expressed dissatisfaction with the Government," and started his scheme anyway. In 1951 he illegally collected 1.8 billion yuan from merchants to build a hall of culture, after already having spent 60 millions on a model. He angered the local populace with his luxurious construction projects at the expense of mass education projects. "His garage is more elaborate than most houses, and his home is fitted with dancing floors and swimming pools."

Nanchang reported (Jan. 21) that in Thuang Hsien, Kiangsi, cadres thought the drive did not concern them, as they considered themselves honest and the countryside too poor to corrupt them. However, it was found that the Youth Corps committee was living extravagantly, so now all cadres are required to register their wealth. Newly rich peasants in Ningtu Hsien are "living a riotous life" on the fruits of land reform, wasting enormous sums on feasting, and exchanging presents at marriage ceremonies. Poor farmer Chen Shao-fa raised 20 tan of grain, and used it all in a short time in

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feasting. In Nantao Hsien 70 tan of grain was used in feasting at one cadre meeting. The Hsien Committee has looked into the matter and ordered that such extravagance be stopped.

Resistance to Drive. Whether or not resistance to the antiwaste, anticorruption, antibureaucracy drive is growing, broadcast reports of outright opposition have increased. Most of these broadcasts are from the Northeast and Southwest, while none are from the Central and South China area.

Peking reported in numeral code (Jan. 27) that in Mukden 17,225 illegal acts of business concerns, such as graft, tax evasion, and stealing of Government property, had been exposed, with an estimated loss to the Government of 200 billion yuan. Yet only a little more than 2,000 confessions had been made, most of them "elusive in substantial facts, touching upon only the past, and leaving present implications unmentioned." Many merchants had sought to threaten or discharge employees, close shop, close accounts ahead of time, prolong the spring festival vacation, or pay off workers, in order to hide their evil practices. As a result new regulations were to be enforced forbidding merchants from exercising undue influence on employees, signing mutual alliance pacts, or keeping their shops closed for the spring festival any later than Feb. 1.

Anshan announced (Feb. 2) that on the evening of Jan. 27 Manager Fang Yu-ming of the Chienkuo Metal Factory, Manager Yuan Hao liang of the Anshan Vacuum Bottle Works, and Manager Cheng Kuo-ching of the Wuchia Hardware Company, opposed the anticorruption drive by refusing to permit examination of their books. All of these companies had profited at Government expense. The Chienkuo Metal Factory used 26 million yuan for speculation, causing the Government huge losses, and increased its capital from 300 millions in 1949 to 3 billions at present, and its workers from 8 in 1949 to 156 at present. The Wuchia Hardware Company grew from an 80-million to a 300-million-yuan concern. Though confessions by merchants in Anshan had reached 966, many of the "big merchants" still were trying to obstruct the drive. Mayor Fang threatened them with dire punishment gave them until Feb. 7 to make confessions, and declared he would not extend this deadline. Anshan said (Feb. 3) that three leading cadres in the Anshan Trust Company, the manager and two deputy managers, had hindered the drive through their "self-conceited attitude," and had aroused dissatisfaction among the masses of the company.

Dairen announced (Jan. 21) that 440 local merchants had made confessions, "but a majority still have not done so." Wang Chi-shan, manager of the Kungyi Electrical Supply Shop, made a public confession, but did not report all his corrupt acts in the hope that they would not be discovered. Others have made charges against him. "so his confession obviously was incomplete." Ho Te-chien refused to confess orally but promised to write a letter, which he did not do. A meeting of the businessmen was called for Jan. 22 so they "can be told their responsibilities." The same radio said (Jan. 23) that Deputy Chairman Yeh of the trade groups declared at a meeting of businessmen that commercial circles actually had supported the drive, but "many still retain feudalistic and capitalistic thought." Dairen reported (Jan. 25) that students, youths, workers, and clerks had talked to Dairen authorities, denouncing "many recalcitrant merchants who have refused to confess." The WORKERS DAILY attacked the leading cadres in the North Sea Marine Transport Bureau, declaring the drive was "making no headway in that organization."

Dairen said in a later broadcast that to admit minor charges and avoid the serious ones had become the common practice. Commercial circles were denounced as follows:

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The movement against bribery, tax evasion, profiteering, and theft among industrial and commercial circles of this city has made no progress at all. Up to Jan. 24 incomplete statistics show that cases of confession and accusation on hand totaled 493, most of them trifles. What we cannot tolerate is that the guilty will not confess and admit their guilt, but stall and remain stubborn. Most of the houses handed in confessions saying: "The reason we were guilty of bribery was that the cadres asked us to lend them money and we were obliged to comply." Broker Chang Yu-chuan wrote at length, using three-fourths of his confession, about what should be

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done with persons receiving bribes, attempting to shun responsibility. Proprietor Shang I-ye of the Chieh-ho Colliery used the mean trick of saying that the Government should maintain secrecy in order to get his confession, thus threatening the Government. Hou Cheng-chu, chairman of the Fur and Hide Trade Union, who had cried about turning over a new leaf almost every day, led other members to play poker in the study meeting. The proprietor of the Muhua Photograph Shop openly revolted in the meeting. (Dairen, Dairen-Port Arthur Regional Service, Jan. 26)

Dairen reported (Feb. 3) that the chief of the production department in the No. 18 Machine Works knew of waste in the mill, but refused to expose it through fear of losing his job. The head of the transport section was quoted as saying that "if there were no corruption there would be no use working in the transport section," and that he certainly would not advise his son to take up the work. The foreman of the shop was quoted as saying that the drive was causing him too many headaches; if it continued he would quit. Even the cadres were said to be advising workers "not to be too energetic in stirring up trouble."

Tsinan reported (Jan. 23) that the local Austerity Committee had accused businessmen of obstructing the drive by threatening workers. The Tsinan businessman called an emergency meeting, at which an effort was made to shift the blame onto the cadres who accepted bribes. Some merchants said that "since they paid out the money, why should they suffer?" Tsinan said (Feb. 3) that the drive had made little progress in the Shantung Construction Company because the cadres had "refused to take the lead" in making confessions and accusations. One cadre even was quoted as saying that "he was not corrupt under the Kuomintang regime; he learned it after he started to work for the Shantung Construction Company." Shanghai reported (Jan. 22) that at a rally of the Shanghai Railway Administration those who were in the process of making confessions were "warned not to leave town." Director Yu Hsi-chang expressed dissatisfaction with the drive because the "major corrupt elements" remained free. He urged that the broad masses go after big game, and warned that it takes brains, patience and determination to catch big game. At Nanking a special meeting was called to urge lax cadres to work harder, and they were warned especially against corrupt merchants who offer bribes.

Hangchow declared (Jan. 21) that in the Chekiang Grain Bureau confessions were obstructed by the bureaucratic attitude of department heads, who suppress accusations because they want to avoid confessions. Great emphasis must be placed upon the assault by capitalistic forces upon the people's movement. For example, merchant Chang Yung-fa sent his wife to live with Government officials Chang Kung-yuen and Chen Shou-shen in order to connive with them to steal Government property. Hangchow reported (Jan. 30) that in Wenchow Trade Association leader Ling Yu-chi was arrested for "bringing pressure" on the wife of Wang Su-te, who had reported him for corruption. Hangchow said (Jan. 31) that the Chekiang Party cadres had attacked the bureaucratic attitude still existing among Government officials, and the "fear of the people in exposing powerful corrupt elements." Deputy Party Secretary Tan Su-lung pointed out that "capitalistic forces have been able to establish a foothold in the bastions of Communism," and warned cadres not to become "too optimistic." Hangchow announced (Feb. 1) that in the Chinhua Special District, Chekiang, Yeh Shou-shan, shipping department cadre with the Chinhua Department Store, was discharged for "suppressing democracy." In Lanchi and Yungkang the drive "had to be corrected" because "it took the wrong course."

Taiyuan (Jan. 31) quoted from the SHANSI JIH PAO in "attacking the obstructionist attitude of merchants and warning them to change their thinking or suffer the circumstances." Taiyuan reported (Jan. 31) that the SHANSI JIH PAO had carried a front page story about the arrest of eight corrupt merchants, along with an article admonishing the cadres "not to be lethargic." The paper declared that the drive in Government offices was "bogging down because of the enticements of capitalistic elements and the fear of powerful Government elements," thus hinting that some of the "big corrupt elements" might be among Government officials as well as among businessmen. Taiyuan again (Feb. 1) quoted from the SHANSI JIH PAO in describing details in the corruption cases of merchants Chang Yu-lin and Wu Chin, in accusing the Hsishan Coal Mine of resisting the drive, and in demanding that lax cadres immediately organize the people and bring charges against

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corrupt elements, or "they would be subject to punishment." Sian announced (Jan. 25) that a meeting of city shop clerks had been told that many merchants were obstructing the anticorruption drive. Sian said (Jan. 30) that in Tihua a number of confessions had been made, but "still the merchants have proved evasive and stubborn." Mayor Yao addressed a meeting of merchants in Tihua Jan. 15, telling them they would support the drive with confessions and accusations "if they were patriotic."

Chungking reported (Jan. 29) that in Chengtu some merchants maintained an "obdurate attitude" and used underhanded methods to undermine the drive against corruption. During a confession rally of the piece goods trade a number of petty merchants wanted to accuse other merchants, but the presidium of the rally denied them the floor on the pretext they would disturb the rally. Members of some trades objected to Government cadres participating in the rallies "on the pretext the matter was one of internal relations." At some confession rallies the subject under discussion was deliberately shifted to "investigation of unrecorded property." The proprietor of the Liutsewing Automotive Parts Company tried to evade confession by increasing his employees' salaries and offering them free movie and bath tickets.

Kunming announced (Jan. 23) that Sze Te-lih, chief of the material section of the Yunnan Department of Finance, had organized corrupt elements in his office to obstruct the work of the inspection committee. The same radio said (Jan. 25) that 1,500 shop clerks heard Party Secretary Ma Su-cheng warn them of attempts of the bourgeois to corrupt them with bribes and threats, and called especially on shop accountants and cashiers to resist. Kunming reported (Jan. 26) that the city government had issued a statement to industrial and commercial circles which declared that lawless elements still existed among the merchants, and laid down rules to prevent sabotage of the anticorruption drive. The drive was said to be progressing in the Yunnan Trading Company, with "confessions forced from its corrupt elements." Kunming explained (Feb. 1) that the drive had been delayed in the city because of the laxity of the chairman and vice chairman of the Austerity Committee; suppression of democracy by cadres in the Public Safety Bureau; and refusal of the merchants to assume leadership. Chungking said (Feb. 1) that in Kunming commercial houses increased from 7,549 in 1950 to 12,500 in 1951. Profits for industrial concerns had been 20 to 30 percent, and for commercial firms 40 to 50, and even 70 percent. Yet merchants had continued to use rebates, gifts, and entertainment to corrupt Government officials into permitting tax evasions, smuggling, and speculation. Large trading firms had spent tens of millions to bribe officials; smuggling of gold bars was estimated at 50,000 ounces; and illegal native banks numbered more than 30, with a capital of 10 billion yuan.

#### ECONOMIC DEVELOPMENTS

Weaknesses And Failures. Because of the heavy concentration of the Communist Chinese radio on the drive against corruption among businessmen and Government officials, little was said about the efforts to increase production and to solve China's economic ills. However, a few weaknesses were uncovered.

Peking reported in numeral code (Jan. 21) that the Northeast Industry Department had passed an ordinance aimed at promoting economy in the use of cement. The plans are to cut down the use of cement in basic construction by 30 percent in 1952. No cement is to be used on the roofs of one-story or two-story buildings, but limestone, sand, and clay are to be used instead; lime and sand are to be used in finishing walls; and roads and paths in factory areas are to be built of crushed stone, cinders, or pebbles. No cement is to be stored for more than 3 months. Peking said in numeral code (Feb. 2) that at a meeting of the Northwest Transportation Company the attitude of cadres was attacked who want to lower gasoline and mileage standards because "road surfaces of highways in the Northwest are bad, and raw materials as well as parts are not up to standard." A Peking comment on the old revolutionary bases offers some interesting information. Some quotes from the article follow:

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A part of these bases have recovered in production, even exceeding the prewar level in certain localities, but production in a large part of the old bases is too difficult to be restored.... A number of localities which also were attacked by flood and drought, old bases

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in the South in particular, which were liberated somewhat later, still show principally desolation, and the livelihood of the people in these localities is exceedingly hard.... In Ningtu Hsien, Kiangsu, 8,334 families were exterminated. In Pingchiang Hsien, Hunan, 14,000 cadres were killed, together with 120,000 people.... Many districts have become no man's lands.... Losses of draft cattle and farm tools, as well as people, have not been replaced. Some districts have become deserted land, infested with wild animals. (Peking, Numeral Code, Feb. 1)

Antung announced (Jan. 23) that outbreaks of cattle disease had become serious late in December in the Hsifeng and Tunghua areas, where cadres had been instructed to set up quarantine stations. Mukden said (Jan. 24) that the hoof and mouth disease had broken out in Harbin, the Fourth District of Shuangcheng, the Second District of Lalin, and several other places in Sungkiang Province, and was spreading. Prevention committees had been set up, restrictions on entry and exit of cattle and sheep had been carried out, and teams had been organized to go deep into rural areas to study prevention and cure.

Mukden announced (Jan. 24) that the labor section of the Northeast Planning Committee had made public a daily wage index in various cities. The rate announced was 1,950 jen min piao in Mukden, 1,800 in Harbin, and ranged from a low of 1,770 in Kiamusze to a high of 1,950 in Shanghai. Presumably these are weekly rates, and should be equivalent to about 2 to 2.50 dollars in American money. Mukden said (Jan. 31) that the Northeast Government had issued a directive increasing wages for workers in "unhealthy occupations" from 30 to 60 units, effective Feb. 1.

Wuhan reported (Jan. 31) that inventory checks showed the Chengchow Railway Control Bureau holding circulating capital for 11 different control bureaus. They also showed that the Kiangsi Nonferrous Metal Bureau had stored materials, including much that is rarely used, valued at 6 billion yuan. Chungking said (Feb. 1) that too little attention had been given to the protection and management of public granaries, with the result that losses in granaries of Wanyuan, Kiangtsin, and Tachu Hsien, Szechwan, had been heavy from rats, fire, and fermentation. Kunming complained (Jan. 30) that a cadre meeting Jan. 21 to 24 revealed that 40,000 transport and construction trade workers "still operate under the feudalistic boss system." Kunming reported (Feb. 2) that in the Yunnan Textile Mills the dyeing vats had to be torn out and rebuilt twice before they could be used, and more than 20 million yuan was spent remodeling the plant before it could be used.

Claims of Success. Nanchang claimed (Feb. 1) that in one village of Kiangsi the peasants saved a large sum of money during the spring festival by refusing to buy superstitious articles or burn incense. Shanghai announced (Jan. 22) the spring festival austerity plan among farmers: Not to gamble, not to waste food--to buy more work tools and cattle. Mukden reported (Jan. 21) that the Northeast Department of Industry was cutting down on documentary red tape, changing the bureaucratic attitude of officials, and was thus reducing office expenditures 62 percent. Hangchow said (Jan. 21) that the Shao-yao Engineering section of the Hangchow Railway subbureau had launched a drive to make sure that each locomotive runs at least 500 kilometers a day, in this way increasing freight transportation and shortening the rate of turnover of locomotives.

Wuhsi announced (Jan. 22) that the Shop Clerks Union of Changchow had negotiated a working contract with shop owners to limit the working day to 10 hours in January, February and March; 11 hours in April, May, October, November, and December; and to 12 hours in June, July, August and September. The number of work days in a week was not mentioned. Chungking announced (Jan. 23) that in the Changtu factories the struggle against reactionary forces had advanced from the democratic struggle stage to the democratic unity stage with outstanding achievements in increased production reported by the Tunghsing Textile Mills and Chengtu Rubber Factory.

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However, "factory cadres still are lax in supporting the democratic struggle, and in fact several factories have not even begun the democratic struggle." Sian reported (Jan. 22) that in Sinkiang the People's Liberation Army last year created wealth amounting to one trillion yuan. They cultivated 980,000 mou of farmland, producing 108 million catties of food, raised 400,000 head of livestock, planted 1.9 million trees, completed five big irrigation projects and 40 small ones benefiting 540,000 mou of farm land. All economic gains in Sinkiang Province seem to be credited to the work of the People's Liberation Army, indicating that a large force is kept in that region.

**IDEOLOGICAL ADJUSTMENT**

Schools and Teachers. Thought reform, like most other subjects usually considered important by the Communists, received little attention during the period under study. Many regional stations scarcely mentioned the question. Hangchow reported (Feb. 2) that 1,500 representatives of school administrators, teachers and students were meeting in Hangchow to promote thought reform. Wuhsi announced (Jan. 25) that the Wuhsien Normal School, the Chien Hsing High School, and other Kiangsu high schools, had organized thought reform study groups. Wuhsi reported (Jan. 30) that 17 delegates were attending a meeting of technical school administrators to discuss expansion of the technical training program to meet the growing needs of China. Sian reported (Jan. 31) that 2,000 representatives of higher educational institutions in the Northwest met Jan. 22 to discuss thought reform. Shanghai announced (Jan. 30) that the Fifth Session of the Students Federation of Shanghai had ended at Chiao Tung University with 737 regular delegates and 891 present by invitation, presumably Government and Party leaders in the main. The role of the students in the first half of 1952 is support of the economic and defense program, and the theme of the conference was thought reform. Shanghai said (Feb. 1) that 200 East China professors met in Shanghai Feb. 1 to plan for carrying out the thought reform movement. Aside from these scattered reports of meetings the regional broadcasting stations said little about bringing the school into line ideologically.

Peking in numeral code (Jan. 22) reported an effort to convince college professors of the righteousness and accuracy of Soviet policies, and admitted some resistance to these efforts. The professors of the Physics Department of Chinghua University were said to have "greatly improved their understanding of the Soviet Union in their thought reform movement." Before studying, "because of insufficient understanding of the nature of the Soviet Socialist State, many of them were doubtful of the USSR." However, they had learned that past study methods would not solve the basic problems, so they made an intense study of such documents as Stalin's "The International Nature of the October Revolution," and Liu Shao-chi's "Internationalism and Nationalism." Then they realized that the "past patriotic thoughts in doubting the Soviet Union were actually the narrow-minded thoughts of nationalism and of the bourgeois class, and that the past thoughts of purely relying on the Soviet Union were reflections of the national inferiority sentiment." After study they "realized that the Soviet Union would not invade us, but would always help us."

Religious Countermeasures. Only one report was monitored showing the continued Communist drive to rid China of foreign influence through religious organizations. Peking reported in numeral code (Jan. 28) that in Kweisui, Salsien, and Shanpa, Suiyuan Province, the Provincial Government seized principals in the Legion of Mary. Among those arrested were the Belgian director of Kweisui Parish, Tai Mai-te; the Dutch director of Shanpa Parish, Te Lung-chiao; Belgian director of the church in Hsincheng, Weisui Parish, Ko Wei-te and Ko Shao-po; and Ko Tien-min, director of the O-erh-ko-hsun. These Catholics were responsible for setting up the Legion of Mary, which absorbed refugee landlords, special agents, and ruffians, spread rumors and influenced youth. When the reformation campaign started, they stepped up their sabotage activities, associated with bandits and special agents, and spread propaganda literature. They delivered intelligence reports to bandit Cheng Tien-ching, special representative of the Shansi-Chahar-Suiyuan-Shensi border of bandit Chiang's anti-Communist, self-defense, and National Salvation Army. More than 30 representatives of the 130,000 Catholics in Suiyuan and of the Protestant churches, held a symposium Dec. 30 to pledge their support of the Government, and fellow Catholics who joined the Legion of Mary have registered to give up their membership.

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Special Programs. Wuhsi announced (Jan. 23) that teachers in the winter schools of Kiangsu were organizing 337 newspaper reading classes in Changchow to study issues of the SUNAN JIH PAO. Wuhan reported (Jan. 24) that 150,000 civil workers on the Paisha Reservoir, upper Huai River, had organized a political and cultural study program to be carried out immediately after lunch each day. Antung said (Jan. 24) that the Tunghua People's Government Labor Department began basic classes for construction workers in December. The classes, which are attended by 60 workers, meet 3 hours each night, will last 3 months, and "will help the workers to understand their patriotic duty." Hangchow announced (Jan. 29) that the Chekiang Government was organizing thought reform committees to work with worker and educator groups.

#### PREFERENTIAL TREATMENT

Spring Festival. The program of preferential treatment for families of servicemen was practically the only subject not slighted because of the anti-corruption drive. This might be an indication of the urgent need for this program in the various localities. Virtually all broadcasting stations gave considerable attention to the preferential treatment program for the spring festival, or Chinese New Year, which started Jan. 26. The broadcasts followed pretty much the same pattern: Before the festival school children, Youth Corps members, women's groups, and some other smaller units were organized to visit families of servicemen during the festival. During the festival these groups called on dependents, left gifts, including food and money, wrote letters, and helped with farm and house work. Some radios prepared special broadcast programs. After the festival the success of the program was reported, including a number of letters of thanks written by dependents to Mao Tse-tung. Numerous broadcasts also told of visits by officials to wounded service men in hospitals. Most radios reported that inspection teams had been organized to check on the success of preferential treatment during the spring festival.

A few novel features were reported. Canton announced (Jan. 24) that food kitchens would be set up in various parts of the city to aid unemployed dependents. The Canton branch, China Moving Picture Company, announced free shows for servicemen and dependents during the festival. Free tickets to the South China Native Products exhibition were offered. Wuhan reported (Jan. 27) that the local Civil Administration Bureau had distributed 48,200 catties of grain to 3,100 families at the rate of four catties per family for martyrs' families and two catties to families of Korean war veterans. Wuhan announced (Jan. 21) that the Honan Government had issued special instructions for the organization of inspection committees, meetings of veterans and dependents, and selection of model dependents and model preferential treatment workers. Shanghai reported (Jan. 31) that in 1951 East China contributed 137.76 million catties of grain and 12,665,000,000 yuan to dependents, whose "political consciousness, living conditions, and social status" had been raised. In Shanghai jobs were found for 8,287 dependents, but it was admitted that this represented only 60 percent of those applying for jobs. Shanghai announced (Jan. 25) that a special program for soldiers and dependents would be broadcast Jan. 31. All Resist-America, Aid-Korea committees were required to organize listening groups for this broadcast, and report the results to the Shanghai Broadcasting Station, No. 2 Peking Road East. Sian announced (Feb. 3) that in Sining minority groups carried out the preferential treatment program.

General Program. Further evidence that care for dependents of war victims is becoming a serious problem is found in a number of transmissions from the Central Broadcasting Station at Peking. A numeral code transmission (Jan. 23) said that street unions and suburban areas in Shanghai last year gave jobs to representatives of 100,000 members of service men's families, "five times as many as in 1950." Ten sewing, box making and handicraft factories were started with public funds to create jobs, while three blanket factories, laundries and rabbitries gave employment to 860 and part-time employment to 1,000. Another numeral code broadcast the same day said that in Changsha a preferential treatment program had been implemented with a policy of "organizing the dependents of martyrs and military personnel in production and using material relief only as a supplement, thereby basically solving the livelihood of 2,000 families." Since the material relief program came first, some cadres thought that preferential treatment consisted only of handing out relief during holidays, while some dependents had developed the "wrong attitude of relying solely on the Government and sitting and waiting for preferential treatment grain." In 5 months in Changsha the program "solved the livelihood of 970 dependents of martyrs and soldiers and found jobs for 489 others."

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Peking reported in numeral code (Jan. 30) that in the Jo-oda League, Jehol, Inner Mongolian Autonomous Region, living conditions had been improved in 10,000 homes of dependents. The tendency toward "unplanned labor coordination and decentralized farming services was corrected, and a system of wide-range collective farming was implemented." The program consisted of collective farming in the spring, collective harvesting and assessment of production in the autumn, specified responsibility and the signing of contracts. Preferential grazings were set up for the cattle of dependents, averaging 300 to 600 cattle each. At the League's First People's Conference of All Circles, 11 percent of those attending were dependents of servicemen. Thus the problem of providing for dependents, and the launching of a collective farm enterprise, seem to have been solved simultaneously. Peking said in numeral code (Feb. 1) that concerning the old revolutionary bases, "In the past some of these localities have done quite poorly" in preferential treatment.

Mukden reported (Jan. 28) that in the Northeast dependents' harvests showed a general increase following preferential treatment aid in tilling. Dependents and disabled veterans in the towns and cities were given employment in the handicraft industries, "thus lessening the burden of the Government and the masses in solving their problem of living." Of the able-bodied males among the dependents, 70 to 80 percent have received jobs. Living standards have been raised to the extent that "in many places" they are buying carriages, horses, new clothes and houses, while 80 percent of the children are able to attend school. "The social status and political consciousness of Army dependents have been greatly elevated." Tsinan said (Jan. 22) that during 1951 jobs had been given to 700 dependents, with 3,700 engaged in handicrafts. Relief grain of 222,700 catties had been distributed, 1,000 women were given family grants, and 680 farms had received free labor. Kunming reported that in Menghua Hsien, Yunnan, dependents were so well pleased with preferential treatment that one woman promised to write her son in Korea to "kill a few more American devils."

Sian announced (Jan. 24) that the Kansu Government had designated February as preferential treatment month and called upon all groups to implement the program. Chungking said (Jan. 25) that in Mingshan Hsien, Szechwan, 520 servicemen's families had been given assistance, but the cadres were so lax that "assistance was given to landlords before it was given to dependents." In Wan Hsien 89,000 catties of relief grain was distributed and 8,102 days of labor contributed to plow 92,787 mou of land. Hangchow announced (Feb. 2) that the Hangchow medical group which left for Korea in June "has asked to be permitted to remain at the front," indicating that there may be a shortage of such groups.

#### RURAL REFORMS

New Marriage Law. Radio stress on the new marriage law has continued to decline. During the period Jan. 21 - Feb. 3 only six brief items concerning the subject were monitored. Tsinan announced (Jan. 22) that in Wenshan Hsien, Shantung, 189,460 of the 333,823 population had "learned about the law." In the last half of December the hsien reported 100 marriages, 35 engagements, and 26 divorces under the law. This high ratio of divorces to marriages, in a country where divorces have been practically unknown, might be significant. Dairen reported (Jan. 31) that 13,000 saw the exhibition "clearly demonstrating the advantages" of the new marriage system, and rural cadres had requested that it be shown in their areas. Wuhsi reported (Jan. 30) that 36 couples had registered with the marriage bureau for mass weddings. They were happy, because they could pick their own spouses and at the same time "save money on dowries and weddings." Hangchow announced (Feb. 1) that Fan Liu-chun was held for trial on a charge of knifing his wife, who had divorced him under the new law to marry another man, since she had been married to Fan at 17 through an arranged marriage. Nanchang said (Jan. 21) that in a discussion of the marriage law by a women's group in Tanyi Hsiang, Shangyao Hsien, Kiangsi, many "spoke of their happiness in securing divorces under the new law." Chungking announced (Jan. 24) that a check on marriage law observance showed good results in Santai, Wusheng, Nanpu, Nanchung, Kulin, and Chienyang Hsien, all in Szechwan.

Land Reform. Considerably more broadcast time was given to land reform than to the new marriage law, with an apparent deemphasis on the crimes of landlords, and more stress on cadre failures and on the reinvestigation program. Kunming announced (Jan. 25) that in Chiangchuan Hsien, Yunnan, the landlords had been given a "death blow." All the goods they had stored away had been reported, and farmers associations had been organized. Chungking said (Jan. 24) that in Yuchi, Chinning,

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and Chengchiang Hsien, Yunnan, land reform was progressing gradually, and that by "inflicting blows on the landlords the farmers' line-up had been strengthened." Chungking reported (Jan. 30) that in Chaochin, Chintang Hsien, Szechwan, 624 families harvested 64,300 catties of grain from newly allocated land; 17 landlords had been liquidated; 2,000 farm laborers had gained higher living standards; and trade had increased from 2.5 billion yuan to 8 billions, with 12.5 billions in prospect by spring.

Kunming reported (Feb. 1) that in Hsiafangtung Hsiang, Chinning Hsien, Yunnan, "struggle meetings" revealed the attempts of landlords to scatter properties, but as a result of the meetings these properties now are being confiscated or requisitioned. Nanchang reported (Jan. 24) that in Liuchia Hsiang, Hsinkan Hsien, Kiangsi, poor farmer Liao Chung-hsiang had lost his fear of landlords to the extent of delivering to authorities 17 cases of silver dollars, white fungi, cloth, and other valuable articles that landlord Liao Liang-mo had hidden in his house. Nanchang said (Feb. 3) that 10 farm families in Tenglung Hsiang, Nankang Hsien, Kiangsi, hid more than 7 million yuan worth of cloth for landlords. They decided to divide the cloth, but when they learned of the increased production and austerity program they sold it instead, buying 10 head of oxen, 12 water machines, and a large amount of fertilizer.

Peking reported in numeral code (Jan. 29) that in all parts of Central and South China rural cadres would start during the spring festival to prepare for a "full-scale reexamination" of land reform, in view of reports that "a growing lack of enthusiasm in the work prevails among rural working cadres," who "always lost their zeal" when it became necessary to "further mobilize the masses and organize their ranks to initiate the fierce struggle against the landlord class." Wuhan announced (Jan. 23) that a reinvestigation of land reform "to mobilize the broad masses to struggle against landlords" had been started in 3,780 hsiang of Kiangsu, 350 hsiang of Hunan, and in parts of Honan. Nanchang reported (Feb. 3) that in Wuhsing Hsiang, Kueichi Hsien, Kiangsi, a cadre, Li Ko-jen, received land under the land reform program. He immediately started to live a "lavish life," was accused of extravagance by the farmers, and was removed from his position.

Shanghai announced (Feb. 1) that distribution of land had been basically completed in 1,569 hsiang of north Anhwei, but had been "delayed until spring" in 109 hsiang. No reason for the delay was given. Chungking reported (Jan. 30) that landlords had been liquidated and farmers associations organized in 20 hsiang of Yuchi Hsien, Yunnan, in the past 2 months. However, the hsien Party Committee had to send inspectors to the villages, as reports were received that the cadres were confiscating land for their own use.

Peking announced in numeral code (Feb. 2) that in North China this year the peasants will increase their mutual aid and cooperative organizations, and "march in the direction of a preliminary collectivization." Already 55 percent of the households in North China are organized, and many short-term mutual-aid teams have become permanent, with collectively-owned equipment. However, this organization was not obtained without resistance, as the broadcast adds that the hesitations in the minds of the peasants, "such as the fear that they will be required to eat meals cooked in a big pot for everybody, or that it is better not to display or show one's wealth," have been cleared away.

#### COUNTERREVOLUTIONARIES

The suppression of counterrevolutionaries was almost entirely neglected by the Chinese radio during the past 2 weeks. Dairen announced (Jan. 23) that 10,000 persons saw the public trial of counterrevolutionaries in Hanchia village, Chu 4, Dairen, Jan. 21. Liu Hsing-wen, Liu Te-tai, Han Kwang-fu, and Chiang Chi-i were summarily executed, and others were sentenced to prison. Dairen added (Feb. 2) that in Chin Hsien counterrevolutionaries have been basically cleared out, with the last group captured Dec. 26 and tried by the People's Court. Mukden, however, announced (Jan. 30) that cadres in Chinchow, Dairen, and Port Arthur were intensifying their instruction in the suppression of counterrevolutionaries, with 640 teachers engaged in the work in the Dairen-Port Arthur area. Nanchang reported (Feb. 2) that farmers of Yunghsiu, Kiangsi, had signed a mutual protection and aid pact to guard each other's property and jointly suppress counterrevolutionaries. Chungking announced (Jan. 25) that in the first half of December there were nine murder cases in the Tansien and Chienko Special Administrative Districts, north Szechwan, resulting in the death of six revolutionary workers, village cadres, and progressive peasants, as well as a number of arson and poison cases.

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**CONFIDENTIAL****NATIONAL MINORITIES**

Only a few claims of progress among the national minorities were monitored. Sian reported (Jan. 25) that the Northwest Military and Administrative Committee had called the Second Annual Animal Husbandry and Veterinarian Work Conference, which would devote its efforts to improving livestock, and would send 300 cadres of all nationalities to work in the grazing areas. Sian said (Jan. 30) that Ma Wen-ling and Ma Ching-shan led Moslem groups in Yinchuan in writing a letter to Mao Tse-tung pledging the cooperation of Moslem groups in the anticorruption campaign. Chungking announced (Jan. 26) that minority training classes and minority government councils had been set up in Ipin, Mapien, Leipo, Loshan, and Lu Hsien, south Szechwan, with 470 cadres from minority groups in important positions and many others at the village level. In Lu Hsien there now were 2,000 Miao students, while special educational and health facilities had been provided for minority groups in Leipo Hsien.

Kunming announced (Jan. 30) that cadres in minority training classes at Paoshan sent a letter of thanks to Mao for the fact that this year, unlike former years, minority groups were allowed to participate in spring festivities. Minority groups contributed 478,854,941 yuan and 169,304 pieces of clothing to Lichiang earthquake victims. One woman in Chu 5, Kunming, had only two suits of clothing, but was willing to contribute one of them. Kunming said (Jan. 25) that the Paoshan democratic comfort team had arrived at the Yunnan border, where "tribal minorities expressed their full support of the Government and swore to defend its borders against any invasion."

**SINO-SOVIET FRIENDSHIP**

The Sino-Soviet Friendship Association designated February as "Soviet Friendship Month," and launched a campaign for publicizing good relations between China and the USSR and the debt of China to the Russians. Through Feb. 3 the Chinese radio gave surprisingly little response to the program, though it had been announced several weeks earlier.

Mukden outlined (Jan. 25) the program, instructing all organizations to "publicize that the USSR is the strong fortress of the World Peace Democratic Front, that the USSR is the strongest and most progressive Nation of the world, that Soviet achievements have increased the strength of the Front, and that existence of the USSR gives significance to the world movement for peace and democracy." Organizations were to make clear that the USSR is the most sincere friend of China and will expedite the industrialization of China, and to show the "happy life of the Soviet" and point out that the USSR's today is China's tomorrow. Nanchang announced (Jan. 21) that in Kiangsi broad-cases, newspapers, magazines, pictorials, and movies would be used in publicizing the USSR friendship, with the Kiangsi office of the Central and South China Film Company showing Russian movies. Sian announced (Jan. 21) that in Shensi all branches had been notified Jan. 5 to carry out the program. Canton said (Jan. 22) that special programs were planned, and announced that a pictorial exhibition of the life of Lenin already can be seen in the Canton Hall of Culture. Shanghai announced briefly (Jan. 24) that the program would be carried out, and that the celebration of Sino-Soviet friendship would be linked with the anticorruption campaign. The Peking Home Service announced (Jan. 21) that under the guidance of Soviet experts the Nos. 1 and 2 Electric Plants of Hankow had increased their output. Nothing further on the subject had been monitored in broadcasts to the Chinese people through Feb. 3.

**MISCELLANEOUS**

Waterway Construction. Wuhan reported (Jan. 21) that the winter Huai River harnessing project of Honan was completed during the middle of January, with 9 million cubic meters of earthwork, 46,000 cubic meters of stone work, and 8,000 cubic meters of concrete constructed. Shanghai announced (Jan. 22) that winter construction on the North Kiangsu Canal had ended, with the 500,000 workers demobilized, after completion of 23.8 million cubic meters of earthwork — one-third of the entire canal.

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Travel Restrictions. Hangchow announced (Jan. 30) that the Chekiang Government had issued a directive canceling all travel permits within the province and into other provinces except those issued under special regulations as follows: For travel to Hong Kong and Macao; for persons entering or leaving the country; for persons under surveillance; for travel in counterrevolutionary suppression areas; and for travel in all bandit-clearance areas. Invalidation date for old permits is Feb. 1.

Museum Exhibit. Mukden announced (Jan. 30) that, starting Jan. 31, the Northeast Museum would have exhibits on Korean culture, China's engineering projects, and China's industrial achievements.

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